

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. S-20-0033

IN THE MATTER OF

MARK BAXTER
Aka, MARK MORROW

RESPONDENT

RECEIVED
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ARKANSAS SECURITIES DEPT

REQUEST FOR CEASE AND DESIST ORDER

The Staff of the Arkansas Securities Department (“Staff”) received information and has in its possession certain evidence that indicates Mark Baxter, aka Mark Morrow, has violated provisions of the Arkansas Securities Act “Act”, Ark. Code Ann. §§ 23-42-101 through 23-42-509.

ADMINISTRATIVE AUTHORITY

1. This matter is brought in connection with violations of sections of the Act and is therefore properly before the Arkansas Securities Commissioner (“Commissioner”) in accordance with Ark. Code Ann. § 23-42-209.

RESPONDENT

2. Mark Baxter, aka Mark Morrow, (“Baxter”) at all times relevant, acted as an issuer and an investment adviser. Baxter utilized digital advertisements to solicit sales of CORONAVIRUS STOCKS from the email address of MARKBAXTER46@GMAIL.COM and a process service location of 790 Haunted Lane, Bensalem, PA.

FACTS SUPPORTING CEASE AND DESIST ORDER

3. The Staff discovered several online advertisements posted by Baxter to the social media platform Craigslist. The advertisement on March 11, 2020 and modified

April 11, 2020 [Exhibit A] claimed that prospective clients could exploit the current coronavirus disease (“Covid-19”) crisis for a weekly profit of \$6,000.00 by trading penny stocks. Baxter claimed:

“PANIC= \$\$\$\$\$” and “STOP LISTENING TO THE BS THE MEDIA [is] FEEDING U AND MAKE SOME CASH... PANIC=\$\$\$\$\$\$\$\$\$\$.”

Baxter posted similar advertisements across at least 49 states and two countries.

4. Baxter claimed that he located:

“TONS OF DIRT CHEAP STOCKS AND [is] READY TO BRING SOME GOOD PEOPLE ON BOARD.”

Baxter further purported an ability to make profits for potential clients by trading stocks for them. In the advertisement, Baxter claimed:

“I LL TRADE YOUR ACCOUNT FOR YOU AND WE SPILT THE PROFITS, OR I LL TEACH YOU WHAT I KNOW THRU MY TRAINING FOR 200\$ OR BOTH.”

5. Baxter used the advertisements to induce potential clients to invest in this scheme claiming:

“ONLY PEOPLE THAT ARE EFFECTED BY [the stock] MARKET BEING DOWN IS LONG TERM INVESTORS.”

In another attempt to encourage investors to trade penny stocks, Baxter claimed:

“AMAZING GAINS AMAZING VOLUME, I LL SHOW Â YOU HOW TO OPEN YOUR OWN TD ACCOUNT AND I LL TRADE IT FOR YOU AND WE SPLIT THE PROFITS.”

6. The Staff obtained information that the Craigslist postings by Baxter were by the account holder, Mark Morrow, located at 790 Haunted Lane, Bensalem, Pennsylvania.

7. A review of the registration files by the Staff revealed no registration for Baxter in any capacity and no registration or exemption filings for securities offered by Baxter during the period of the online advertisement through June 16, 2020.

APPLICABLE LAW

8. Ark. Code Ann. §23-42-102(17)(A)(xi) defines “security” to include investment contracts.

9. Ark. Code Ann. § 23-42-102(10) defines “Issuer” as any person who issues any security.

10. Ark. Code Ann. §23-42-102(9) defines “Investment Adviser” as any person that, for compensation, engages in the business of advising others as to the advisability of investing in, purchasing, or selling securities.

11. Ark. Code Ann § 23-42-501 states it is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under this chapter; (2) the security or transaction is exempted under Ark. Code Ann. §23-42-503 or Ark. Code Ann. § 23-42-504; or (3) it is a covered security.

12. Ark. Code Ann. § 23-42-301 provides that it is unlawful for any person to transact business as an investment adviser without first being registered as such pursuant to the Act.

13. Ark Code Ann. § 23-42-507(2) makes it unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made in light, of the circumstances under which they are made, not misleading.

14. Ark. Code Ann. §23-42-507(3) states that it is unlawful for any person, in connection with the sale of any security, directly or indirectly, to engage in any practice, or course of business which operates or would operate as a fraud or deceit upon any person.

15. Ark. Code Ann. § 23-42-209 (a) states that whenever it appears to the Commissioner, upon sufficient grounds or evidence satisfactory to the Commissioner, that, any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule or order under the Act, the Commissioner may summarily order the person to cease and desist from the act or practice.

CONCLUSIONS OF LAW

16. The investment contract that was offered and made available by Baxter to Arkansas citizens, in which investors invest monetary value in the purchase of penny stocks, from which profits would be derived from the efforts of Baxter, is a security under Ark. Code Ann. §23-42-102(17)(A)(xi).

17. Baxter did not properly register any security, file for any exemption, or make any notice filing concerning any covered security with the Arkansas Securities Department regarding the securities offered in Arkansas. This violates Ark. Code Ann § 23-54-501.

18. By offering to manage and trade accounts for compensation on behalf of investors Baxter acted as an unregistered investment adviser in violation of Ark. Code Ann. § 23-42-301.

19. Baxter violated Ark. Code Ann. §23-42-507(2) by making false and misleading statements including that he could sustain investment returns in excess of \$6000.00 and by omitting to state material facts necessary to make statements made, in light of the circumstances under which they were made, not misleading. Baxter did not state to investors that he is not registered with the Arkansas Securities Department to provide investment advice within the state of Arkansas.


20. Baxter violated Ark. Code Ann. §23-42-507(3) when he falsely represented that he could sustain investment returns in excess of \$6000.00 per week because of panic induced in the market due to COVID-19. Baxter made these false representations to induce investors to enter the investment contract agreement.

21. The conduct, acts, and practices of Baxter threaten immediate and irreparable public harm. A cease and desist order is in the public interest and is appropriate pursuant to Ark. Code Ann. §23-42-209(a).

PRAYER FOR RELIEF

WHEREFORE, the Staff respectfully requests that the Commissioner order Mark Baxter aka; Mark Morrow to immediately CEASE AND DESIST from: offering and/or selling unregistered nonexempt securities in Arkansas, acting as an unregistered investment adviser in Arkansas, and committing fraud in connection with the offer and sale of securities in Arkansas.

Respectfully submitted,



Joseph S. Joslin
Staff Attorney
Arkansas Securities Department

----- DATABASE ENTRY NUMBER 443 -----

posting_id: 7091863834
 poster_email: MARKBAXTER46@GMAIL.COM
 user_id: 288108501
 poster_ip: 99.203.80.79
 auth_user_phone: n/a
 auth_user_phone_modify: n/a
 record_created: Wed Mar 11 2020 21:08:14 (Pacific)
 posted_date: Wed Mar 11 2020 21:08:14 (Pacific)
 posting_renewal_dates: n/a
 record_modified: Sat Apr 11 2020 00:27:16 (Pacific)
 area_description: little rock
 subarea_description: n/a
 neighborhood: n/a
 geographic_area: MALVERN
 category_description: financial services
 category_type: services
 price/age: n/a
 invoice_item_id: 223954572
 CardNumber: 3984
 DateCharged: Wed Mar 11 2020 21:08:12 (Pacific)
 City: Bensalem
 State: PA
 ResultText: ACCEPT: ACCEPT: Successful Transaction
 Addr: 790 haunted ln
 Amount: 5.00
 TransID: 097477
 Zip: 19020
 TrackID: 5839860919426721604062
 ExpDate: 0523
 Processor: cybersource
 Holder: Mark Morrow
 privacy: user email address visible
 posted_state: Expired

posting_title: P E N N Y STOCKS MAKE 6000\$ A WEEK CORONA VIRUS STOCKS UP 800% PANIC

\$

PostingBody
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JANUARY...FEBRUARY....AND MARCH ARE KNOWN AS THE BIGGEST MONTHS FOR P E N N Y STOCKS, "THE JANUARY EFFECT" JUST GOOGLE IT, NOW THANKS TO THE OVERBLOWN CORONA VIRUS PANIC CORONA VIRUS STOCKS (BIOTECH) ARE UP 800%....AIM STOCK WAS 1\$ TWO WEEKS AGO AND JUST HIT ALMOST 9\$!!! THAT MEANS JUST 1000\$ OF AIM STOCK MADE ABOUT 10K IN A WEEK....RICH PEOPLE ARE NOT LISTENING TO THE MEDIA THEY ARE MAKING MONEY ...ONLY PEOPLE THAT ARE EFFECTED BY MARKET BEING DOWN IS LONG TERM INVESTORS MOST OF THESE STOCKS TRADE ON A COMPLETELY DIFFERENT EXCHANGE AND ARE NOT AT ALL EFFECTED BY THE BS U HEAR ON THE NEWS ...DON'T BELIEVE THE HYPE ...WERE MAKING BANK....WE JUST JUMPED IN ANOTHER CORONA VIRUS(BIOTECH) STOCK AT 1\$ AND ITS HEADED TO 9\$ ALSO THANKS TO ALL THIS NEWS PANIC going toward DECEMBER AND JANUARY COMPANIES SELL OFF THERE STOCK DIRT CHEAP PUSHING PRICES BEYOND BASEMENT...I VE LOCATED A TON OF THESE DIRT CHEAP STOCKS AND AM READY TO BRING SOME GOOD PEOPLE ON BOARD TO MAKE SOME BIG \$\$\$ IN 2020....I LL TRADE YOUR ACCOUNT FOR YOU AND WE SPLIT THE PROFITS, OR I LL TEACH YOU WHAT I KNOW THRU MY TRAINING FOR 200\$ OR BOTH. TAX SEASON IS NOW!!! USE UR TAX RETURN TO MAKE URSELF RICH. WHY GET A HUGE RETURN ONLY ONCE A YEAR? WHEN EVERY MONTH CAN BE TAX SEASON I JUST HAD RETC WHICH RAN 002 ALL THE WAY TO .012 FOR HUGE GAINS , JUST 1000\$ ON RETC BROUGHT BACK 6000\$, AND 5000\$ ON RETC BROUGHT BACK 30 GRAND!!! AMAZING GAINS AMAZING VOLUME, I LL SHOW YOU HOW TO OPEN YOUR OWN

TD ACCOUNT AND I LL TRADE IT FOR YOU AND WE SPLIT THE PROFITS. I ALSO JUST HAD VRUS WHICH RAN 0015 TO 0031 FOR 100 PERCENT PROFIT MEANING YOUR MONEY DOUBLED SO WHAT EVER YOU HAD ON VRUS DOUBLED.....START SMALL IF YOU HAVE TO BUT LETS MAKE CASH.....I VE BEEN TRADING 5 YEARS AND SEEN IT ALL.....BEST TRAINER ON THE WEB TIM SYKES SAYS ALL THESE COMPANIES ARE TRASH AND HES RIGHT...YOU GET IN FOR A GOOD PRICE AT THE BOTTOM WAIT FOR A BIT AND GET OUT WITH HUGE GAINS, YOU DON'T HOLD THESE THINGS YOUR IN AND OUT AND TURN YOUR MONEY BACK TO CASH ... I'LL TEACH YOU MY TECHNIQUE FOR 200\$ OR I LL TRADE FOR YOU AND YOU JUST SIT BACK AND COLLECT THE CASH WE SPLIT. MY NAME IS MARK AND I DID THIS BECAUSE I GOT SICK OF THESE BS JOBS AND THERE GAMES, AND DECIDED TO TAKE THINGS INTO MY OWN HANDS AND YOU CAN DO THE SAME....CALL OR TEXT NOW ANY TIME DAY OR NIGHT I'M ON THIS ...24 7. (FOUR EIGHT FOUR)-238-3735 OR EMAIL MARKBAXTER46@GMAIL.COMTHIS ALLOWS YOU TO SPEND MORE TIME WITH YOUR FAMILY AND HAVE FINANCIAL FREEDOM I HAVE NOT WORKED A REGULAR JOB IN OVER 2 YEARS , I MAKE 300\$ HERE 2800\$ THERE , 1000\$ HERE, 5000\$ THERE ALLOWING ME THE FREEDOM TO MAKE MY OWN HOURS AND ONLY WORK A FEW SHORT HOURS A DAY AND SOME DAYS I DON'T EVEN WORK BECAUSE ITS NOT GOOD TO TRADE EVERYDAY, YOU TAKE YOUR TIME DON'T RUSH AND YOU CAN BE FREE FROM THE 9 TO 5 AND STAY WITH YOUR FAMILY ALL DAY AND TAKE THEM NICE PLACES. CALL OR TEXT OR EMAIL ANY TIME I LOOK FORWARD TO WORKING WITH YOU!!!!!! MARKBAXTER46@GMAIL.COM (FOUR eight four)-238-3735 NOW IS THE TIME TURN THAT TAX RETURN INTO MAD CASH, BECAUSE IT IS THE ONLY TIME OF THE YEAR YOU GET ENOUGH MONEY IN ONE LUMP SUM TO DO THIS!!! DON'T BLOW YOUR TAX \$ ON A CAR OR CLOTHES OR DINNERS ETC, LEARN TO TRADE AND THEN YOU CAN HAVE A TAX RETURN CHECK EVERY WEEK THRU P E N N Y STOCKS!!!!!!!

(Four eight four)-238-3735 EMAIL MARKBAXTER46@GMAIL.COM

CORONA VIRUS STOCKS(BIOTECH) UP 800% PANIC =\$\$\$\$\$ PANIC =\$\$\$\$\$

ALSO WHEN I DIDN'T KNOW WHAT I WAS DOING 5 YEARS A GO I HAD A HUGE THING OF BEGINNERS LUCK, MY GIRLFRIEND AT THE TIME PUT IN 2000\$ OF HER TAX CASH AND BAM IT WENT ALL THE WAY TO 22K IN LIKE 5 MINUTES I ONLY GOT OUT WITH 4000\$ CAUSE AT THAT TIME I BARLEY KNEW HOW TO PUSH THE SELL BUTTON AND I DIDN'T HAVE A SMART PHONE BUT I STILL GOT OUT WITH 4000\$ OFF 2000\$ THAT'S WHEN I BECAME ADDICTED NOW THESE 1000 PERCENT RUNNERS ACTUALLY HAPPEN EVERY WEEK THE TRICK IS BEING IN THE RIGHT PLACE AT THE RIGHT TIME, I VE ALSO FORMED A TECHNIQUE FOR FINDING THESE, THEY TAKE A BIT LONGER TO FIND AND WAIT ON BUT ARE WELL WORTH IT. CALL ME NOW (four eight four)-238-3735 OR EMAIL MARKBAXTER46@GMAIL.COM

I LOOK FORWARD TO US MAKING MONEY TOGETHER!!!! ALSO THERE ARE SOME HATERS OUT THERE SAYING THEY LOST MONEY WITH ME OR I STOLE MONEY FROM THEM, THERE ARE ALWAYS TWO SIDES TO EVERY STORY SOMETIMES 3....., IF THEY LOST MONEY ITS BECAUSE THEY DIDN'T FOLLOW INSTRUCTIONS AND LOGGED INTO THE ACCOUNT AND DID WHAT THEY WANTED TO DO NOT WHAT I TOLD THEM TO, FOLLOWING INSTRUCTIONS FROM SOMEONE THAT KNOWS MORE IS A VERY IMPORTANT PART OF BEING SUCCESSFUL, IF YOU CANT FOLLOW RULES OR INSTRUCTIONS DON'T EVEN BOTHER CALLING OR EMAILING I DON'T WANNA WASTE YOUR TIME OR MINE!!! COME WITH ME AND LETS MAKE 150K BETWEEN NOW AND MARCH IT'S MORE THAN POSSIBLE ALOT OF TRADERS DO IT EVERY YEAR, GOOGLE IT, THE JANUARY EFFECT!!! CALL SOON AND LETS GET RICH.....FUSZ IS ANOTHER GREAT STOCK I JUST HAD GOT IN IT AT 17 CENTS AND SOLD FOR 40 CENTS WELL OVER DOUBLE YOUR CASH!!!!!!!!!! THAT WAS IN ABOUT TWO WEEKS.....SOMETIMES ITS FAST SOMETIMES ITS SLOW THE CASH HITS WHEN IT HITS YOU CAN'T RUSH IT!!!! (Four eight four)-238-3735

New winners in December....OPTI over 100% ...INQD 80% to 100 %....GATA over 100%.....FTXP over 100%.... JANUARY /FEBRUARY WINNERS OPTI again 40 percentCEI .50 %... DMAN 120 %....IFMK 100%SWHI 500 % in 4 days!! UAMM 35% and UAMM few weeks later again 100%CSOC over 200% in 3 weeks SNWV 100%.....CLWD 100%

CORONA VIRUS STOCKS UP 800% AIM STOCK JUST RAN 1\$ TO 9\$ A SHARE ...IBIO 200% GAIN CORONA VIRUS(BIOTECH) STOCK AND MFST 2400% GAIN RAN LESS THAN A TENTH OF A PENNY TO OVER A PENNY A SHARE!!! ANOTHER GREAT CORONA VIRUS(BIOTECH) STOCK ...STOP LISTENING TO THE BS THE MEDIA FEEDING U AND MAKE SOME CASH ...PANIC=\$\$\$\$\$\$\$\$\$\$ MARKBAXTER46@GMAIL.COM